



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

P.O. Box 41200 • Olympia, Washington 98504-1200
Telephone (360) 902-8703 • TDD (360) 664-8126 • FAX (360) 664-2258 • <http://www.dfi.wa.gov/cs>

APPLICANT ADVISORY – A POOR CREDIT HISTORY MAY LEAD TO DENIAL

Dear License Applicant:

You are likely reading this message because you are interested in becoming licensed in Washington State as an Escrow Agent or Escrow Officer.

Before you take the time to fill out an application (it is not a simple process), give the following serious consideration.

IF YOU HAVE A BAD CREDIT HISTORY – LATE PAYMENTS, COLLECTIONS, BANKRUPTCY, JUDGMENTS, HIGH DEBT TO INCOME RATIO, ETC. – YOUR APPLICATION MAY BE SUBJECT TO DENIAL.

The Department of Financial Institutions does not intend to issue licenses to people who may be handling consumer's funds and financial information when the potential licensee has credit problems or a history of poor money management.

You may want to improve your credit record before you apply. The time and money spent improving your credit will be well worth it and may possibly save you from a license denial. Often a denial in one jurisdiction will place license applications in other states at risk.

Sincerely,

The Management & Staff
The Division of Consumer Services

WASHINGTON ESCROW AGENT LICENSE APPLICATION

READ INSTRUCTIONS BEFORE BEGINNING!

Note: The instructions and information contained herein are an integral part of the application. Please read them carefully, and follow the directions explicitly. Failure to follow the instructions completely may result in a rejection of your application as incomplete or delays in processing and issuance of a license. **We suggest you make a blank copy of all forms in this package before you begin. Please type or print clearly in dark ink.**

RESERVING A COMPANY NAME

If you are planning to open a new Escrow Agent company, you must check the availability of the desired new name with DFI as well as the Secretary of State's office (for Corporations or LLCs). The Department of Licensing, Master Business Licensing registers trade ("dba") names as well. Please don't order signs, stationery, advertising, etc. until you have received confirmation (from all agencies) that your chosen name is available. Please send written (mail, e-mail, or fax) request to each agency; including desired names (ranked by preference), a contact person and their phone and fax numbers. Each agency will reply separately. If available, DFI will reserve a desired name here for up to 60 days.

AVAILABLE ASSISTANCE

Please note that application packages are considered incomplete without **all** attachments. **If you need to request these forms in an alternate format (such as Braille, larger print, etc.),** please contact our offices. If you have any questions or require assistance in completing the enclosed application packet, you may request a pre-filing appointment with one of our licensing staff. Please mail your completed application package, together with all attachments, and a check for the appropriate application fee payable to the "Washington State Treasurer" to:

Department of Financial Institutions, Division of Consumer Services

Mailing: Post Office Box 41200
Olympia, WA 98504-1200

Physical: 150 Israel Rd SW
Tumwater, WA 98501

Visit our web site at www.wa.gov/dfi

e-mail questions to DCS@dfi.wa.gov

Phone: (360) 902-8703, press 1 for licensing, Fax: (360) 664-2258, TDD: (360)664-8126

REFERENCE PHONE NUMBERS

Office of the Attorney General	(360) 753-6200	Department of Licensing	(360) 902-3600
Secretary of State, Corporations Division	(360) 753-7115	Master Business Licensing	(360) 664-1400
Escrow Association of Washington	(206) 937-5008	Insurance Commissioner	(360) 753-7300

WASHINGTON STATUTES, RULES, OPINIONS, AND POLICY

The DEO, owners, and principal officers of the applicant company, are expected to be well versed in all sections of the Escrow Agent Registration Act, and the rules and opinions thereof. A copy of RCW 18.44, ("the Act"), and WAC 208-680, ("the rules"), are enclosed for your benefit. Additional copies of the Act and the rules (as well as other Washington State laws) may be obtained by contacting the Office of the Code Reviser at (360) 753-6804, or review on the internet:

RCWs: <http://leginfo.leg.wa.gov/www/rcw.htm>

WACs: <http://www.mrsc.org/wac.htm>

Opinions considered to be of import to the majority of Escrow Agents, or those policies expected to be of general knowledge by the industry, will be forwarded to all licensees as issued. You may view them at our website, or fax requests for copies of opinions or policy statements to the Division of Consumer Services at (360)664-2258. For a fee, you may request an opinion or clarification of a specific issue by writing the Division.

BRANCH ONLY APPLICATIONS

If this application is to add a branch office to the currently licensed company, you may submit only:

- Company Information Form, signed on pages 1 and 3
- Exhibits: B, C, D, G (if different from main office)
- Verify Fidelity Bond and E & O insurance coverage is adequate.

ESCROW AGENT COMPANY INFORMATION FORM

COMPANY NAME: _____
Proper entity name *Trade name or "dba"*

PHYSICAL ADDRESS: _____
Main Office

City *County* *State* *Zip*

Phone *Fax* *e-mail address*

MAILING ADDRESS: _____
If different

City *County* *State* *Zip*

BUSINESS STRUCTURE ☐ CORPORATION ☐ SOLE PROPRIETORSHIP ☐ PARTNERSHIP ☐ LLC
☐ OTHER _____

Federal Tax Identification Number

Washington State Unified Business Identification Number

PROVIDE THE FOLLOWING INFORMATION ONLY FOR **BRANCH OFFICE** APPLICATIONS:

COMPANY NAME: _____
Proper entity name *Trade name or "dba"*

PHYSICAL ADDRESS: _____
Main Office

City *County* *State* *Zip*

Phone *Fax* *e-mail address*

MAILING ADDRESS: _____
If different

City *County* *State* *Zip*

AUTHORIZATION FOR VERIFICATION - COMPANY

TO WHOM IT MAY CONCERN:

I, the undersigned official, of the company noted, hereby authorize and request you to provide the Department of Financial Institutions of the State of Washington, any and all information and documentation that they request for the purpose of verifying information provided in conjunction with an application for an escrow agent license, or for the purpose of conducting an investigation in accordance with chapter 18.44 Revised Code of Washington.

BY: _____
Signature of Authorized Official *Date*

Printed Name of Authorized Official *Title*

ESCROW AGENT COMPANY APPLICATION (CONTINUED)

The following attachments must be provided in the order listed. The application will be deemed incomplete without this information. Either a check-mark (indicating the item is attached) or “N/A” (for “not applicable”) should be placed next to each item on this form. Each attachment should be a separate, labeled exhibit.

EXHIBIT A – OWNERSHIP

Provide information on all business relationships. This should include a list of company officers and directors, a list of stockholders and their percentage of ownership, other interests owned by stockholders, parent companies, affiliates, and subsidiaries of the applicant. Include company names, addresses, telephone numbers, and contacts. Provide a brief description of each relationship. To help us in our review, please be sure this exhibit answers these questions:

- (1) Who owns this company? (stockholders, LLC members, partners, sole proprietor/spouse)
- (2) What percent does each person own? (10% or more is a “controlling person”)
- (3) Does any controlling person own 10% or more in another business? If yes, describe this “affiliate”.
- (4) Who else influences this company? (officers, directors, owners, DEO)

NOTE: All controlling person(s) and the DEO must provide information for exhibit B.

EXHIBIT B – PERSONNEL

Provide a roster of personnel at each location, include name and title. All controlling persons, principal officers, main DEO, and branch DEO must provide the following:

- (1) Escrow Agent Individual Background Form (2 pages). (*except DEO and Branch DEO, see exhibit C*)
- (2) Personal credit report, including a public records search, within past two years. {WAC 208-680B-010}
- (3) A pair of fingerprint cards taken within two years. {WAC 206-680B-020}

NOTE: Main office files may need to have personnel information updated when adding branches.

EXHIBIT C – LICENSED ESCROW OFFICER(S)

Provide completed Escrow Officer Application(s) with the appropriate fees, for the main DEO, branch DEO, and each subordinate escrow officer. (If EO is already licensed complete the Escrow Officer Transfer App. form, if new EO complete the Escrow Officer License App. Form.) *These forms are available upon request from DFI or on the Internet at www.wa.gov/dfi.*

EXHIBIT D – APPLICATION FEE

Pursuant to WAC 208-680B-080, attach the application fee for each location. Make check(s) payable to “Washington State Treasurer.” The check(s) should be attached to the front of the application package when mailing.

Application fee: \$366.29 per location

EXHIBIT E – E & O INSURANCE

Provide proof of insurance {required by RCW 18.44.201} for the Errors and Omissions Policy (minimum \$50,000) covering all escrow personnel (owners, corporate officers, employees, etc.). *PLEASE NOTE: The coverage should be continuous (no expiration date, and no lapse in coverage). Insurer must notify DFI 30-days prior to cancellation.*

EXHIBIT F – FIDELITY BOND (PLUS SURETY BOND IF DEDUCTIBLE)

Pursuant to RCW 18.44.201, provide a copy of the Fidelity Bond (minimum \$200,000) covering all escrow personnel (owners, corporate officers, employees, etc.). If the fidelity bond has any deductible (maximum \$10,000), you must also provide a \$10,000 surety bond. The original signed and sealed surety bond, with attached power of attorney should be delivered with your application package. *PLEASE NOTE: Bond coverage should be continuous (no expiration date, and no lapse in coverage). Insurer must notify DFI 30-days prior to cancellation.*

ESCROW AGENT COMPANY APPLICATION (CONTINUED)

EXHIBIT G – TRUST ACCOUNTING

Complete the enclosed Certificate of Compliance and Authorization to Examine Trust Accounts form to show compliance with RCW 18.44.070. Note: The escrow agent's representative completes the top portion of this form, the bank's representative completes the bottom portion; then, the bank's representative's signature is notarized on site by a second person.

EXHIBIT H – MASTER BUSINESS LICENSE

Please contact the Washington State Department of Licensing, Business and Professions Division (360)902-3600, to apply for the applicant's Washington State Master Business License. A copy of this document is **not** required with your application. DFI will verify with the Department of Licensing that the applicant has registered.

EXHIBIT I – CERTIFICATE OF EXISTENCE/AUTHORIZATION

If a corporation or LLC, please contact the Washington Secretary of State, Division of Corporations, (360)753-7115, to register company. A copy of this document is **not** required with your application. DFI will verify with the Secretary of State that the applicant has registered.

EXHIBIT J – REGISTERED AGENT

Please provide the name, address, phone number, social security number, and date of birth of the individual named as registered agent.

- (1) If your office is outside the borders of Washington State, you *must* maintain a registered agent inside Washington.
- (2) If your office is within the borders of Washington State, the use of a registered agent is *optional* (*your office staff may serve as registered agent*). If your company has used a registered agent when filing with other Washington state agencies, please provide this office with information about *that* registered agent.

ESCROW AGENT SIGNATURE AND OATH OF APPLICANT

I hereby swear and affirm that the information contained herein and attachments hereto are true and correct to the best of my knowledge. Further, the provisions of Revised Code of Washington 18.44 and Regulations promulgated by the Department of Financial Institutions in furtherance of such Code provisions and contained in Washington Administrative Code have been reviewed by the principals and responsible parties of the applicant as listed herein, and all employees of the applicant will be made aware of such laws and regulations and changes enacted hereafter. This application is submitted in furtherance of the applicant's desire to obtain from the Director of the Washington Department of Financial Institutions, a license to engage in the business of an escrow agent, as defined in chapter 18.44 RCW. Any false statement or omission of material information in connection with this application shall be punished as provided by law and may subject the applicant to denial of a license or the revocation of any license granted.

BY:

Signature of Authorized Official

Date

Printed name of Authorized Official

Title

ESCROW AGENT INDIVIDUAL BACKGROUND FORM

This form is to be completed by each of the following individuals (check all boxes that apply):

(Please make copies as needed)

Corporation/LLC

☐ Officer* (VP and above)

☐ Directors

☐ Principal* (10% or more): Percent owned: _____

Partnership

☐ General Partners*

Sole Proprietorship

☐ Owner*

☐ Spouse of Owner

* Individuals holding these "positions of control" must also provide a personal credit report and a pair of fingerprint cards.

NAME OF COMPANY: _____

INDIVIDUAL INFORMATION:

Last Name First Name Full Middle Name

Date of Birth _____ Social Security Number _____

Drivers License Number _____ State issued _____

If the individual has ever used any other name (eg: maiden, prior marriage, nickname, etc), SSN, or date of birth (including errors made by others), list below. If not, please write "none".

INDIVIDUAL'S RESIDENCE _____

City County State Zip

Phone Fax E-mail Address

AUTHORIZATION FOR BACKGROUND INVESTIGATION – INDIVIDUAL

TO WHOM IT MAY CONCERN

I hereby authorize and request that all local, municipal, city, county, state and federal law enforcement authorities furnish such information as they may have available concerning me, including information regarding criminal records, investigations, background, or similar information, whether known to me or otherwise, to the Department of Financial Institutions of the State of Washington. My signature below authorizes the Department of Financial Institutions of the State of Washington to obtain a personal credit report through an impartial credit reporting agency. It is understood that the Department shall be under no obligation to disclose such information to me or any other person and may accept such information under such conditions concerning confidentiality and disclosure as the person providing such information shall require.

A copy of this authorization shall be accepted with the same force and validity as the original.

Signature Date

ESCROW AGENT INDIVIDUAL BACKGROUND FORM (CONTINUED)

NAME OF COMPANY: _____

Individual's Last Name

First Name

Full Middle Name

INDIVIDUAL'S POSITION WITH APPLICANT _____

To be completed if the individual is NOT employed by the applicant:

EMPLOYER/COMPANY NAME _____
STREET ADDRESS _____
CITY/COUNTY _____
STATE/ZIP CODE _____
BUSINESS PHONE _____
POSITION _____

1. Are you a bona fide resident of the state of Washington?
() Yes () No
2. With the exception of motor vehicle violations, have you ever been convicted of a crime, felony, or misdemeanor in this state, any other state, the federal government, or any other jurisdiction within the past ten years? If yes detail on a separate page.
(NOTE: If you have been convicted of a crime, you will be subject to an investigation, and you may be denied a license.)
() Yes () No
3. Is there a criminal complaint, accusation, or information presently pending against you, or are you under indictment in this state, any other state, by the federal government, or by any other jurisdiction? If yes detail on a separate page.
() Yes () No
4. Has any professional or occupational license or permit issued to you, or your right to engage in any business, ever been refused, suspended, revoked, or denied in this state or any other jurisdiction? If yes detail on a separate page.
() Yes () No
5. Have you ever had a civil order, verdict, or judgment entered against you in any court of competent jurisdiction in which the subject matter involved any real estate or business related activity? If yes detail on a separate page.
() Yes () No
6. Have you ever been discharged or requested to resign by any employer, or otherwise sever your business relationship with any person, because of dishonest or unethical actions alleged to have been committed by you?
() Yes () No
7. Do you agree to personally manage the office indicated in this application? (For DEO or Branch DEO only)
() Yes () No
8. The above named company authorized to do business in Washington, has obtained or has applied for a license from the state of Washington to engage in the business of an escrow agent and hereby consents that suits and actions arising out of its escrow business may be commenced against the company in the state of Washington. Service of any process of pleadings in said action or suit may be made by delivering process or pleadings to the Director, Department of Financial Institutions, Olympia, Washington. The Director shall, within (5) days, mail to the escrow agent at its licensed address, written notice of any process or pleadings delivered to the Director.

BY: _____
Signature Date

**ESCROW AGENT
CERTIFICATE OF COMPLIANCE AND
AUTHORIZATION TO EXAMINE TRUST ACCOUNTS**

To: State of Washington, Department of Financial Institutions, Division of Consumer Services

For: _____
escrow agent company name

The undersigned, a principal officer of the above listed licensee, hereby certifies that such firm has established and maintains a trust account(s) {"Trust Account"} in compliance with the Escrow Agent Registration Act, RCW 18.44.070, and that each Trust Account held for this purpose is correctly identified below:

Trust Account No.: _____	Trust Account No.: _____
Financial Institution: _____	Financial Institution: _____
Branch: _____	Branch: _____
Street Address: _____	Street Address: _____
_____	_____

- The undersigned hereby authorizes the Director of the Department of Financial Institutions, or designee, to examine the above described Trust Account(s).
- The undersigned further authorizes the above listed financial institution(s) to release to the Director, or designee, information relating to the Trust Account(s) listed above, such information to include all account records and information.
- The undersigned acknowledges responsibility to notify the Department of any change of financial institution.

_____ <i>signature of officer</i>	_____ <i>date</i>
_____ <i>print officer's name</i>	_____ <i>title</i>

BANK VERIFICATION

Account No.: _____	Account No.: _____
Date established: _____	Date established: _____
Verified by: _____ <i>print bank representative's name</i>	Verified by: _____ <i>print bank representative's name</i>

Signature: _____	Signature: _____
Title: _____ Date: _____	Title: _____ Date: _____

(BANK SIGNATURE MUST BE NOTARIZED)

Signed and sworn before me by: _____
print bank representative's name

this _____ day of _____ 20____

Signature of Notary Public

Notary Public in and for the

State of _____

County of _____

My appointment expires: _____